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1 4 DEC 1978

DD/A Registry

MEMORANDUM FOR: Director of Central Intelligence

FROM

: F. W. M. Janney

Director of Personnel

SUBJECT

: Future Quota for CIARDS

1. Action Requested: That you convey to Chairman Boland of the House Permanent Select Committee on Intelligence the view that the Agency believes a quota on CIARDS in the future is unnecessary.

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Background: The quota on CIARDS retirements (non-disability) expires on 30 June 1979, and Chairman Boland has written to you requesting your view as to what the level of quota should be in the future.

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When the CIARDS legislation was being framed in 1964, the Congress was concerned for the proper application of the statutory criteria for participation in the System. Committees of both the House and Senate shared the view that the legislation should not be so specific as to disclose classified information and recognized that the language of the law must, therefore, be purposely vague. At the same time, the Congress was concerned that the System should not be administered so loosely as to permit retirements which truly did not satisfy the statutory criteria for participation. As means of assisting the Director in administering the System in accordance with the intent of Congress and to guard against possible misuse of the System, the Congress incorporated these two provisions in the CIARDS Act: (1) The Agency's internal regulations for administering CIARDS were to be cleared with specified members of the appropriate committees, and (2) a quota on retirements was established for the first two fiveyear periods of the System's existence (a third quota period 1 July 1974 through 30 June 1979 was added in 1973). It is worth emphasizing that both these provisions were incorporated for the same purpose; namely, to ensure that the Agency would admit into CIARDS, and eventually retire under it, only those employees who satisfied the criteria for participation in the System, as set forth in the Act.

25X1

Staff Position: Our review of 14 years experience administering CIARDS causes us to conclude that the key factor in determining the number of retirements under CIARDS is the process of designating employees as participants in the System. This conclusion coincides with the concern of Congress that only employees who meet the statutory criteria should be designated as participants. We believe that our record in discharging this responsibility has been very good.

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25X1	Since the inception of CIARDS, and to 30 June 1979, the quota for CIARDS retirements authorized under various statutory provisions totalled The actual usage, projected to 30 June 1979, is Clearly, we have not used all the quota authorized. With this fact, one must consider the effectiveness and integrity with which the Agency has been designating participants; on this matter the annual reports of give an objective assessment. For the past three years, reports to the Congress have shown that, except for a brief period in 1969, the Agency has been designating participants in a manner consistent with the intent of Congress. We conclude, therefore, that the Agency is designating participants properly and that a quota on CIARDS retirements is no longer necessary.
25X1	4. Recommendation: That you sign the attached letter to Congressman Boland.
	/s/ F.W.M .Janney
	F. W. M. Janney
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25X1	COORDINATION:
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